



Transportation Finance Issues: State funding

Status of state transportation funding

What is the balance of the Transportation Fund?

- There are different ways to measure the financial status of the Transportation Fund, each resulting in a different set of numbers. This can be confusing and gives an inaccurate perception of the amount of money available to be spent.
- The best indicator is the fund condition that is used in budget development. Fund condition provides a year-end account of revenues and expenditures.
- The fund condition is what might be commonly viewed as a “balance.” In simple terms, it represents the amount of money left in the fund after all the deposits are made and all the bills are paid.

Transportation revenues down slightly

- The state Transportation Fund has not experienced revenue shortfalls of the same magnitude as the General Fund.
- There has been a slight decrease. In the first half of 2002, transportation revenues lagged projections by 3/10ths of one percent (.3%).
- Even a slight decrease in revenue can impact programs. It's estimated that more than \$123 million is required in the 2003-05 biennium simply to provide inflationary increases for existing highway programs and services.